

**Amendment Offered by Mr. Maloney of
Connecticut**

**To the Amendment in the Nature of a
Substitute Offered by Mr. Oxley**

Page 56, after line 15, insert the following new section (and conform the table of contents accordingly:

1 **SEC. 124. REPORTING OF SUSPICIOUS ACTIVITIES BY IN-**
2 **FORMAL UNDERGROUND BANKING SYSTEMS,**
3 **SUCH AS HAWALAS.**

4 (a) DEFINITION FOR SUBCHAPTER.—Subparagraph
5 (R) of section 5312(a)(2) of title 31, United States Code,
6 is amended to read as follows:

7 “(R) a licensed sender of money or any
8 other person who engages as a business in the
9 transmission of funds, including through an in-
10 formal value transfer banking system or net-
11 work of people facilitating the transfer of value
12 domestically or internationally outside of the
13 conventional financial institutions system;”.

14 (b) MONEY TRANSMITTING BUSINESS.—Section
15 5330(d)(1)(A) of title 31, United States Code, is amended
16 by inserting before the semicolon the following: “or any
17 other person who engages as a business in the trans-



1 mission of funds, including through an informal value
2 transfer banking system or network of people facilitating
3 the transfer of value domestically or internationally out-
4 side of the conventional financial institutions system;”.

5 (d) APPLICABILITY OF RULES.—Section 5318 of title
6 31, United States Code, as amended by this title, is
7 amended by adding at the end the following:

8 “(1) APPLICABILITY OF RULES.—Any rules pre-
9 scribed pursuant to the authority contained in section 21
10 of the Federal Deposit Insurance Act shall apply, in addi-
11 tion to any other financial institution to which such rules
12 apply, to any person that engages as a business in the
13 transmission of funds, including through an informal
14 value transfer banking system or network of people facili-
15 tating the transfer of value domestically or internationally
16 outside of the conventional financial institutions system.”.

17 (e) REPORT.—Not later than 1 year after the date
18 of enactment of this Act, the Secretary of the Treasury
19 shall report to Congress on the need for any additional
20 legislation relating to—

21 (1) informal value transfer banking systems or
22 networks of people facilitating the transfer of value
23 domestically or internationally outside of the conven-
24 tional financial institutions system;

25 (2) anti-money laundering controls; and



1 (3) regulatory controls relating to underground
2 money movement and banking systems, such as the
3 system referred to as 'hawala', including whether the
4 threshold for the filing of suspicious activity reports
5 under section 5318(g) of title 31, United States
6 Code should be lowered in the case of such systems.

